

**KENTUCKY BOARD OF EDUCATION
REGULAR MEETING
AUGUST 5-6, 2009**

**STATE BOARD ROOM
1ST FLOOR, CAPITAL PLAZA TOWER
FRANKFORT, KENTUCKY**

SUMMARY MINUTES

The Kentucky Board of Education held its regular meeting on August 5-6, 2009, in the State Board Room, First Floor, Capital Plaza Tower, Frankfort, Kentucky. The Board conducted the following business:

Wednesday, August 5, 2009

NOMINATING COMMITTEE MEETING

Committee Chair Austin Moss called the Nominating Committee meeting to order and asked for the roll to be called. All members of the committee were present. At this point, Chair Moss asked for a motion to go into closed session per KRS 61.810(1)(f) to discuss the potential recommendation for chair and vice chair. Judy Gibbons made the motion and Dorie Combs seconded it. The motion carried.

The committee came out of closed session on a motion by Doug Hubbard and second by Judy Gibbons. The motion carried.

Next, Chair Moss asked if there was a recommendation that would come forward to the full board on the board chair and vice chair for 2009-10. Doug Hubbard moved that Joe Brothers be recommended as chair, C.B. Akins be recommended as vice chair and Dorie Combs be recommended as a second vice chair for 2009-10. Judy Gibbons seconded the motion and the motion carried.

The committee was adjourned at 9:00 a.m.

CALL TO ORDER

Chair Joe Brothers called the full board meeting to order at 9:00 a.m. and welcomed all in attendance. He asked that everyone remember that the meeting is being webcasted and to turn off or mute cell phones. He then asked for the roll to be called.

ROLL CALL

Present for the meeting were C.B. Akins, Kaye Baird, Joe Brothers, Dorie Combs, Jeanne Ferguson, Judy Gibbons, Billy Harper, Doug Hubbard, David Karem, Robert King, Austin Moss and Brigitte Ramsey.

INTRODUCTION OF AND REMARKS BY THE NEW COMMISSIONER OF EDUCATION

Chair Joe Brothers introduced Dr. Terry Holliday as the new commissioner of education and asked him to say a few words.

Dr. Terry Holliday said he had experienced nervous anticipation in looking forward to working in Kentucky to improve education. Holliday reported he had talked with over 20 superintendents, representatives from school councils, KASA, KSBA, KASS, retired educators, former superintendents, former Commissioner Gene Wilhoit and citizens in preparing to come to Kentucky as its Commissioner. He noted that many e-mails have come his way and he had read blogs with pertinent information on Kentucky education. Holliday noted that consultants are working on the state's Race to the Top application and in this work have found that the citizens and educators in Kentucky are proud of its education system and history, and have a desire to refocus to improve education further. He explained that over the next few weeks he would expand his listening tour and also be sharing that educators are doing a great job and willing to work together to improve. Holliday emphasized that all partners will need to come together to implement Race to the Top and Senate Bill 1. He thanked the board for the opportunity to become Kentucky's next commissioner and stated he will see how it feels in a week. He said he was looking forward to working with everyone on behalf of the children in Kentucky.

APPROVAL OF MINUTES

Doug Hubbard moved approval of minutes from the June 10-11, 2009, regular meeting and the June 14-16, July 2, July 8 and July 17 special meetings. Judy Gibbons seconded the motion.

Dorie Combs noted that in June the board heard from Union County and requested that its MAP scores be sent to board members but noted these had not been received. Staff indicated they would follow-up on this request.

At this point, the minutes were approved by unanimous vote.

REPORT OF THE KBE NOMINATING COMMITTEE ON PROPOSED SLATE OF OFFICERS FOR 2009-10 AND ELECTION OF KBE OFFICERS FOR 2009-10

Nominating Committee Chair Austin Moss reported that the committee is submitting a recommendation to the full board to create a new position, a second vice chair. On behalf of the committee he so moved to create this new position. The board concurred by approving the recommendation.

Moss continued his report by submitting the following names for the respective positions as board officers for 2009-10:

- Vice Chair – Dorie Combs
- Vice Chair – C.B. Akins
- Chair – Joe Brothers

Doug Hubbard moved that the nominations cease and that these members be elected by affirmation. Judy Gibbons seconded the motion and it carried.

Joe Brothers thanked the board for trusting him to continue another year as chair.

INTRODUCTION OF NEW KDE EMPLOYEES

Interim Commissioner Kevin Noland introduced the following new Kentucky Department of Education employees:

- Kris Hodge, Office of Teaching and Learning, Education Academic Program Manager
- Lisa McKinney, Office of District Support Services, Systems Analyst III
- Dru Hawkins, Office of Internal Administration and Support, Internal Policy Analyst
- Donna Tackett, Office of Leadership and School Improvement, Assistant Director
- Carla Tipton, Office of Special Instruction Services, Education Administration Program Consultant
- Amy Peabody, Office of Legal, Legislative and Communication Services, Staff Attorney II

Noland also acknowledged that Lynn McGown-McNear had been promoted to be the Director of Human Resources and that Felicia Cumings-Smith was present, who will be the new Associate Commissioner for the Office of Teaching and Learning.

REPORT OF THE SECRETARY OF THE EDUCATION AND WORKFORCE DEVELOPMENT CABINET

On behalf of Governor Beshear's administration, Secretary Mountjoy welcomed Dr. Terry Holliday as the new commissioner of education in Kentucky. She stated that she and Dr. Holliday had a great meeting with the Governor that lasted about twice as long as it was scheduled to last. She then recognized Kevin Noland as the professional interim commissioner and said she hoped that he would not have to come back and serve anytime soon but emphasized she appreciated his willingness to engage in the different issues that have emerged. Mountjoy indicated that Noland's style and grace have enhanced the position and said that Kentucky owes a debt of gratitude to him. She then went on to highlight that the First Lady's Dropout Summit would be September 11 and 12 and said she hoped that board members could attend. She noted that she would be talking to the board over the coming weeks about the Governor wanting to launch an initiative to draw attention back to education. Mountjoy reported that the Governor would be making trips around the state to talk with folks about education to reignite the spark of excitement.

REPORT OF THE PRESIDENT OF THE COUNCIL ON POSTSECONDARY EDUCATION

President Robert King reported the following:

- A public welcome was extended to Dr. Holliday as Kentucky's new commissioner.
- The state is on the cusp of some important changes.
- The mission of the Council on Postsecondary Education and the Department of Education are really one mission and Senate Bill 1 helps to characterize it that way.
- Thanks goes to Kevin Noland for dealing with some thorny issues and to Joe Meyer from Secretary Mountjoy's office who has been helpful.
- In the fall of 2008 the Governor created a higher education workgroup whose report was issued in January. This group has been reformed at the Governor's direction with a focus on financial aid, facilitating transfer of credits from two-year to four-year institutions and four-year to four-year institutions, work on college readiness and financial transparency and efficiency on campuses.
- The work on Senate Bill 1 is moving along effectively and it has been impressive to watch the cooperation between agencies. Because of Senate Bill 1 Kentucky is farther ahead in the process of adopting new standards. We have received an embargoed draft of the Language Arts and Math standards and have been conducting a review of these. Workgroups will be set up soon and also a proposal around professional development on the standards will be composed.
- Project Graduate is underway to encourage people who have completed 90 hours or more but did not graduate to encourage them to come back and finish college.
- The Council on Postsecondary Education was recognized nationally by Education Sectors for its higher education accounting system.
- On September 10 and 11, the Council on Postsecondary Education Trusteeship Conference will be conducted and all board members are invited.

REPORT OF THE EXECUTIVE DIRECTOR OF THE EDUCATION PROFESSIONAL STANDARDS BOARD

Executive Director Phil Rogers reported the following:

- The Education Professional Standards Board (EPSB) also welcomes Dr. Holliday to Kentucky and we are looking forward to working with him over the coming months.
- Last year 208 teachers did not get into the internship program. Sixty have been placed and we are trying to get all the others into positions. The stipends to resource teachers were reduced and the way mentors work with teachers has been changed.
- A commitment from the United States Department of Education for \$500,000 to support National Board Certification has been received and thus, we will not have to reduce benefits in this area. We are on track with new candidates for this program.
- The teacher preparation model for teacher leaders is being focused on closing achievement gaps. All previous preparation programs will sunset in 2011 and no new ones have been received to date. This will be a post-masters program.
- The EPSB is working on an initiative in math preparation and instruction and is in the process of getting a survey completed. It has been found that teachers are taking three mathematics courses and one teaching math course.
- Mark Wasicsko has been recently appointed to the Education Professional Standards Board.

REPORT FROM THE PRE-K TO 16 COUNCIL

Billy Harper reported the following:

- Billy Harper will assume the chair of the council in September.
- A brainstorming session was conducted in June on how to move the P-16 agenda forward.
- A meeting will occur tomorrow on how to become more aggressive and supportive on issues from the various agencies.
- Also, the council will work more with local P-16 councils in the state.
- Senate Bill 1 provides a great driving force for work to get done.
- The next meeting will be September 17.

REPORT OF THE INTERIM COMMISSIONER OF EDUCATION

Interim Commissioner Kevin Noland reported the following:

- A lot of work is occurring on Kentucky's Race to the Top application that has the potential of bringing a large infusion of funds to the state. We anticipate more guidance by October and that the application will be submitted in December. The announcement of awards is tentatively scheduled to be in February. The Gates Foundation is funding a consulting group to assist Kentucky in writing its application. An internal work group and external stakeholder group has been established to assist in this process. Secretary Mountjoy is serving as an excellent resource and partner in this work.
- Regarding the State Fiscal Stabilization Funds, the Governor issued a press release on the dollars that have been awarded to Kentucky and the department has sent out guidance to districts on how to access these funds.
- Relative to the Qualified School Construction Bonds, Kentucky is authorized to offer up to \$135 million in bonding for school construction projects.
- Senate Bill 1 implementation is on schedule and you will hear more about that during the meeting.
- Relative to budget reduction plans, the department submitted both a 3% and 4% reduction plan and is awaiting more specific instructions from the Governor's Office on Policy and Management.
- The department sent out information to school districts on H1N1 that was coordinated with Dr. Hacker from the Department for Public Health.
- We have an excellent team at the Kentucky Department of Education and have been able to get much done during my term as Interim Commissioner. Thank you for allowing me to serve in this capacity.

GOOD NEWS ITEMS

The following board members shared the items of good news listed below:

- Dorie Combs - On July 21, President Obama named more than 100 science, math and engineering teachers and mentors as recipients of two prestigious Presidential Awards for Excellence. The educators will receive their awards in the fall at a White House ceremony.

The Presidential Award for Excellence in Science, Mathematics and Engineering Mentoring, awarded each year to individuals or organizations, recognizes the crucial role that mentoring plays in the academic and personal development of students studying science or engineering and who belong to minorities that are underrepresented in those fields. The Presidential Award for Excellence in Mathematics and Science Teaching is awarded annually to the best pre-college-

level science and math teachers from across the country. Winners of the Presidential Teaching Award receive \$10,000 from the National Science Foundation to be used at their discretion.

The individuals receiving the Presidential Award for Excellence in Mathematics and Science Teaching for Kentucky this year are:

- Keri Dowdy, science teacher, grades K-6, Sedalia Elementary School, Mayfield, KY
- Kristen Jarboe, mathematics teacher, grades K-6, Elkhorn Elementary School, Frankfort, KY

Congratulations to these two fine teachers for having their excellence publicly recognized!

- David Karem - Recently, the Kentucky Department of Education announced six (6) Best Practice Sites for Alternative Education Programs to recognize the work of educators and programs that serve at-risk students.

The programs were self-nominated in the categories of Academic Performance, Learning Environment and Efficiency. The six programs are:

- Graduation Success Academy (Bath County) –recognized in the Efficiency category
- Ramey Estep High School (Boyd County) – recognized in all three categories
- Calloway County Day Treatment – recognized in all three categories
- Beacon Central High School (Daviess County) – recognized in the Learning Environment category
- Brooklawn School (Jefferson County) – recognized in the Efficiency category
- The Providence School (Jessamine County) – recognized in all three categories

Each program will receive \$1,000 for instructional support. Information on the schools also will be posted on the KDE Web site so that other schools can use the programs as models.

Congratulations to these alternative education programs for the excellence they have demonstrated!

KENTUCKY SCHOOL FOR THE BLIND (KSB) AND KENTUCKY SCHOOL FOR THE DEAF (KSD) UPDATE ON BUDGET AND FACILITIES ISSUES

Division Director Barb Kibler said that she tried to give a history on the programs at KSB and KSD within the staff note. She noted that the department did pay for an outside group to do a study at each school and a report resulted from the department on changes to be made at these schools. Kibler indicated that a facility plan for each school was done in

2004. She stated that the facility plans were viable but funding to complete them has been a problem. She went on to say that there is a statutory requirement that the two schools function as statewide resource centers and explained that this is also not funded; however, Kibler said that the schools are still addressing this requirement. She said there are issues with budget at the two schools and pointed out that facility issues at the Kentucky School for the Deaf continue to be a drain on resources. She explained that the department must go through the Finance Cabinet with the sale of any property and emphasized this is a slow process. Kibler noted no dollars have been exchanged on any property sale as yet. She highlighted that the board is aware of the controversy about the summer school issue that occurred this year because not only was summer school not held in its usual form for KSB and KSD students but also no local district students could attend the sessions. She did remind the board that a shortened session was held at KSB but no summer school was held at KSD. Before opening the discussion, Kibler pointed out two corrections to the staff note on page 35 of the agenda book as follows:

- In the chart on the middle of the page, for KSD, the amount under the allotment column should be \$10,141,400 and the amount under the difference from allotment should be -\$532,252.

Other items that were discussed during this agenda item were as follows:

- A desire to know the percent of dollars spent on outreach by KSB and KSD.
- A desire to have the swimming pools at the two schools in working status and available to be used by students. A suggestion was made to open up the pools to the community and others for a fee.
- A request to have the chart on page 38 of the Agenda Book redone to show the numbers for prior years.
- Consideration for doing one summer school session at one of the schools.

Barb Kibler summarized that staff knows how to live within the budget at the schools and if nothing unusual happens, it is the hope of the department to end the year in the next fiscal year better than the status of the present one. She emphasized that the summer schools may still not be able to be funded.

2010-2012 BIENNIAL BUDGET PROCESS

Interim Commissioner Kevin Noland said that every August, the KDE asks for input on budget priorities and brings back final recommendations in October for the board's approval. He emphasized that money is tight and the department is not expecting any appropriations for new initiatives. He said that staff has some things for the board to react to but advised that the final list of needs should be small.

At this point Budget Director Joe Lancaster went over the handouts that had been prepared for the board's consideration. Interim Commissioner Noland said that the charts show what the enacted appropriations were with the parenthesis indicating reductions. Next, Deputy Commissioner Ruth Webb went over the chart details.

Commissioner Holliday shared that superintendents across the state are very aware of the KDE personnel shortage and the impacts on quality of service. He noted that concern exists by districts on the level of payment for Infinite Campus by the state versus the amount paid by districts.

Interim Commissioner Noland said that page 3 of the handouts breaks down all dollars for the programs allotted by the General Assembly and also shows the cuts in parentheses. He noted that the document to consider is titled "Other Considerations for 2011-2012". He said that these were put on the table for the board's consideration.

Joe Brothers noted that Senate Bill 1 and Race to the Top need to be considered in tandem with budget decisions.

Interim Commissioner Noland emphasized that Senate Bill 1 has costs with no new funding and that part of the philosophy for this was that not doing parts of the present assessment system could be used to handle this. He said that a \$1.5 million savings was generated from this action but commented this will not cover professional development costs. Noland said that hopefully Kentucky will be funded for Race to the Top and there will be money to cover these new assessment and accountability costs. He pointed out that professional development is on the list for the board's consideration.

David Karem indicated that the Program Review will be costly if it is done right and questioned if the General Assembly understands this.

Interim Associate Commissioner Michael Miller said that a low estimate for Program Review could be found on the charts and said this amount is just to get the initiative off the ground. He said that it does not include the cost once it becomes a part of accountability and becomes institutionalized.

At this point, Commissioner Holliday noted that a legislative committee will meet next week and said he plans to bring to the table the possibility of flexibility on the timeline for the new assessment so that Kentucky could work with other states and share costs. He said that with the board's permission, he was going to pursue this course of consideration. Interim Commissioner Noland said that he agreed with this approach.

Dorie Combs said it would be helpful to the board to know what each program is and whether it is required.

Kevin Noland responded that staff can do more work on the chart and get this information out to the board prior to the October meeting.

Other items that were discussed during the budget review included:

- The large number of dollars for Family Resource/Youth Services Centers. Kevin Noland explained that this is a big figure but noted it is a flow-through of dollars that goes directly to the Cabinet for Health and Family Services.
- Programs like Highly Skilled Educators and Middle School Academic Achievement could go away if early childhood was adequately funded. Kevin Noland said this would be true in theory but noted the school population keeps changing.
- Several literacy programs exist and perhaps there is room for efficiencies there.
- The Individual Learning Plan is mandated but not funded after year one. Kevin Noland added that options for this include funding by districts, eliminating the program or seeking other funding.
- The nomenclature for A5-A6 needs to indicate these are programs and not schools.
- Staff indicated that it would come back to the October meeting with recommendations on budget priorities. In the interim, board members were asked to send any suggestions to Ruth Webb or Joe Lancaster.

HEARING OFFICERS REPORT

General Counsel Kevin Brown said that on July 28 a public hearing was scheduled on the Administration Code regulation but no comments were received either in writing or in person. Brown continued that on August 10, the Education Assessment and Accountability Review Subcommittee will consider the Administration Code regulation. He went on to say that at the August 11 Administrative Regulation Review Subcommittee, the Nutrition and Health Services regulation will be discussed and then at the September Administrative Regulation Review Subcommittee, the Pupil Attendance and School District Calendar regulations will be considered.

ANNOUNCEMENTS

Chair Brothers made the following announcements prior to recessing for lunch:

- The board will recess for lunch and resume with the Curriculum, Instruction and Assessment Committee meeting at 1:30 p.m.
- The full board will reconvene at 1:00 p.m. to go into closed session per KRS 61.810(1)(f) to look at a contract relative to a specific individual being hired for commissioner of education.

- The Management Committee meeting will begin this afternoon upon the adjournment of the Curriculum, Instruction and Assessment Committee in the State Board Room.
- The board, Dr. Holliday, and KDE leadership will be having dinner together this evening at the Capital Plaza Hotel in the Seminar Room at 6:00 p.m. No business will be conducted.
- The Audit Committee will meet tomorrow morning at 9:00 a.m. in the State Board Room.
- The full board will reconvene tomorrow morning in the State Board Room upon the adjournment of the Audit Committee meeting.

CLOSED SESSION

Kaye Baird moved that the board go into closed session per 61.810(1)(f) to discuss the draft contract for a specific individual being hired as the commissioner of education. Doug Hubbard seconded the motion and it carried.

The board came out of closed session on a motion by Dorie Combs and a second by David Karem. The motion carried and it was announced that no action was taken during the closed session. Chair Brothers said that the board will deal with the contract issues at a later time.

CURRICULUM, INSTRUCTION AND ASSESSMENT COMMITTEE MEETING

Action/Consent Items

1. **Kentucky Writing Program Advisory Committee Appointments.** Interim Associate Commissioner Michael Miller and Branch Manager Cindy Parker came forward for this item. Ms. Parker explained the current membership of the committee and noted the new ones being proposed for approval. At this point, Jeanne Ferguson moved approval of Adam Hicks and Judy Whitson as new appointments to the Kentucky Writing Program Advisory Committee. Brigitte Ramsey seconded the motion and it carried.

Review Items

1. **Model Extended School Services Programs.** Coming forward for the item were Interim Associate Commissioner Michael Miller, Division Director Chris Powell, Consultant April Pieper and Branch Manager Nijel Clayton.

Chris Powell indicated that school representatives are here today to share information on their programs. She said that the committee had asked for an opportunity to discuss program issues including funding. Powell said that Sandy

Sinclair from Adair County was here in person and Marty Montgomery from Pulaski County would share information via video. Powell noted that staff chose two districts that are using their dollars in creative ways.

Sandy Sinclair first shared information about Adair County's Camp Invention program and next Marty Montgomery shared information about Pulaski County's use of dollars to coordinate with AmeriCorps.

APPROVAL OF COMMISSIONER'S CONTRACT

The full board was convened to consider the approval of the contract with Dr. Terry Holliday as the new commissioner of education in Kentucky. David Karem moved to approve the contract with the amended page that was submitted to board members and C.B. Akins seconded the motion. The motion carried.

CURRICULUM, INSTRUCTION AND ASSESSMENT COMMITTEE MEETING (CONT'D)

Review Items

2. **Update on In-School GED Program.** Coming forward for this item were Chris Powell, Nijel Clayton and April Pieper. Powell noted that the secondary GED is one option for those students to consider who are not willing to stay in high school any other way. She continued that it is an intervention that addresses the needs of a very small group and noted that the criteria are set by the Kentucky Board of Education. Powell stated that students in this program must meet national requirements plus the additional state requirements that were written into the criteria. She indicated it is a viable credential for entering the workforce or college. Powell reported that there were 83 students who completed this program in 2007-08 and then staff proceeded to go over the trend data contained on pages 51-59 of the Agenda Book.

Comments from board members included:

- We need to keep the expectations high for students getting the secondary GED.
 - We need to make sure we have the right students going into this program but we don't want to have requirements that are too high. Staff may need to talk to districts on whether to look at lienacy on some of the state-required measures.
3. **Kentucky Content Literacy Initiative Grants.** Department staff shared that the Kentucky Content Literacy Initiative Grants are funded through the Kentucky Teacher and Leadership Mentor Fund and are implemented through a partnership between educational cooperatives, higher education partners, secondary schools and other educational partners. It was indicated that currently, twelve middle schools and one high school are served through the grants, which were awarded to the

Green River Regional Educational Cooperative and the Collaborative for Teaching and Learning.

At this point Liz Story and Sheila Thompson from the Green River Regional Educational Cooperative came forward and presented how the grant is being administered in their schools and districts. They indicated that no data is available as yet but did discuss how success will be measured.

MANAGEMENT COMMITTEE MEETING

Action/Discussion Items

1. & 2. **Kentucky Education Technology System (KETS) Unmet Need for LEAs and FY 2010 Kentucky Education Technology System (KETS) Expenditure Plan.**

Associate Commissioner David Couch came forward for these items and first discussed the unmet need agenda item. He emphasized that the unmet need has its basis in the Master Plan and that the FY2010 amount totals \$132 million or \$225 per student. He summarized that the four basic categories of unmet need are operations, maintenance, incremental replacement and new technologies. Couch characterized that approval of the unmet need amounts for local school districts is the first step required to allow local school districts to receive state funding to assist them in purchasing hardware, software, personnel, professional development and other technology initiatives that will support students in achieving academic excellence.

Couch then moved on to talk about the KETS expenditure plan and went over a handout that provided details on this plan.

As part of this discussion, Couch was asked to look into Kenton County charging a technology fee to its students and provide a report back to the board.

At this point, Austin Moss moved approval of both the KETS FY2010 Unmet Need for LEAs and the FY2010 KETS Expenditure Plan. David Karem seconded the motion and it carried.

David Couch was then asked to give a brief summary about the digital citizenship initiative. He said that Representative Belcher submitted legislation during the last session on this topic but ran out of time to get it through both houses. He noted there to be a partnership with the Attorney General's office in addressing this problem. Couch pointed out such problems as texting and driving, the need by young people for immediate responses, distractions from teaching and learning, gossip sites and pictures and postings in settings where people are not aware. The board was provided with publications to review on this topic.

3. **704 KAR 4:020, School Health Services (Final).** Interim Deputy Commissioner Larry Stinson pointed out new language on page 8 of the regulation that was in

direct response to the concern by the Local Superintendents Advisory Council. He reported that the Board of Nursing is comfortable with the change.

At this point, Austin Moss moved final approval of 704 KAR 4:020 as amended and David Karem seconded the motion. The motion carried.

Review Items:

1. **702 KAR 3:030, Insurance Requirements.** Chair Doug Hubbard said that the letter from the Local Superintendents Advisory Council (LSAC) recommended tabling this regulation to work out issues that were objected to by superintendents. He continued that LSAC also asked that when it comes back to the board that it come as a review item.

Larry Stinson went on to say that LSAC was asked to take the regulation back to their constituents for feedback and said staff would be studying the language with potential review again by the board in October.

Thursday, August 6, 2009

AUDIT COMMITTEE MEETING

Review Items:

1. **Audit Update and Review of Commissioner's and Board's Expenses.** Staff first explained how the overage for the Kentucky Board of Education's expenses were accommodated out of the commissioner's account. It was noted that the amount of meetings conducted this year for the commissioner's search contributed to this overage.

Next, Deputy Commissioner Ruth Webb called the committee's attention to the staff note on page 93 of the Agenda Book where the audits were divided into the following three categories: update on audits since April 2009, other audits by APA and audits on behalf of federal agencies. Janet Hartlage then proceeded to go through each of the audits under the three categories and answer questions from board members.

Specific questions brought up by the committee included the following:

- What is the Department doing about the three financial management items within the Nutrition and Health Services audit? – Response: The department is taking these seriously because some of these are repeat findings and will show up in the Statewide Single Audit next time. Currently, outdated technology is being used for this program through the Commonwealth Office of Technology and this system needs an overall. It will cost millions of dollars and thus the department is looking at a more cost effective way to solve the problem. The

United States Department of Agriculture is working with the department to move to a web-based system. The department will submit a corrective action plan and the United States Department of Agriculture could fund the entire cost if they approve the plan.

- Do we reclaim the dollars from Jefferson County that were found to be inappropriate claims? - Response: Department staff indicated these dollars would be reclaimed.

At this point Brigitte Ramsey asked for a motion to accept the Audit Report. Doug Hubbard made the motion and Judy Gibbons seconded it. The motion carried.

***SBI: DISCUSSION OF CONTENT FOR INTERIM ACCOUNTABILITY
REGULATION (2009-2011)***

Associate Commissioner Ken Draut and Division Director Rhonda Sims came forward for this discussion. Draut indicated that Kentucky is in the interim period for accountability and that the No Child Left Behind scores would be used to hold schools accountable. He explained that numerous regulations with CATS terminology will have to be revised and in the future a long-term accountability model will have to be developed. Draut stated that now the board must deal with the interim period and reminded members that an interim regulation was crafted previously that they would be asked to update for this new interim model. Draut then turned it over to Rhonda Sims to give the details on the decisions that the board will have to make for the interim model.

Rhonda Sims reminded the board that in order to make Adequate Yearly Progress (AYP), schools must meet 100% of their goals in reading and math, participation rate and the other academic indicator. She noted that the other academic indicator is one that the board will have to look at for middle and elementary schools because it is based on CATS data. She explained that high schools will remain the same because for that level it is graduation rate. Sims pointed out that another piece that will have to be changed is Safe Harbor, which provides a way for a school that did not make its targets in math and reading but made a certain degree of progress to still make AYP. She indicated that currently the academic index is used for this calculation and since this won't be available, something else will have to be found.

Sims went on to say that staff spent time with the School Curriculum, Assessment and Accountability Council and the District Assessment Coordinators group that would like to see a focus for the other academic indicator be on the three other tested subjects for the interim. She stated that for the Safe Harbor, the academic index could just be removed from the formula and keep the other elements.

Sims continued that another piece the board will have to deal with is assistance to schools and she said that the assessment staff would work with Sally Sugg's office on recommendations to bring to the board in this area. The final decision point that Sims

noted was the fact that the revised regulation will need to incorporate appropriate national changes regarding the graduation rate calculation and reporting.

Ken Draut communicated that in October the board will see the actual regulation language for the interim accountability model and in December would be asked to give final approval to the regulation.

Commissioner Holliday said he was impressed with staff's work and the proposal but he wanted the board to know that school districts need to know the rules of the game at the beginning of the year. It was agreed that an e-mail would go out to school districts providing the direction the board would be considering for interim accountability.

VERBAL REPORT ON ASSESSMENT TIMELINE FOR SB1 IMPLEMENTATION

Ken Draut and Michael Miller came forward for this item. Draut went through selected items on the chart that illustrated the items and timeline for implementing the provisions of SB1. He pointed out that a good number of these items are already completed or are in progress. Draut summarized that the two big activities involved the drafting of new standards and the design and implementation of Program Reviews. He asked Michael Miller to talk about these two items.

Relative to the new standards, Interim Associate Commissioner Michael Miller shared the following:

- Kentucky signed on to the work being done by the Council of Chief State School Officers and the National Governor's Association on new language arts and mathematics standards.
- The department has received drafts for the language arts and mathematics standards and has shared these internally as well as with the Council on Postsecondary Education staff. Feedback on this internal review has been sent back to CCSSO and NGA who will release a document on August 17 on this initial work.
- The initial review of the standards completed internally showed an example for each standard and a glossary of terms. It was felt that the standards reflect rigorous Algebra II content and Kentucky's minimum graduation requirements.
- Staff is excited about the common core standards and are now figuring out how to make these into Kentucky's standards. Work groups will be used to conduct that process.
- CCSSO and NGA are now going to back the standards down grade by grade.

Next, Miller continued talking about the Program Reviews and their development as follows:

- The assessment for the next two years will be based on the Core Content that was approved in 2006 until the new standards are ready.
- Two messages have been sent to schools about the assessment and Program Reviews but staff will be glad to repeat the information in a different format for the sake of continuous communications.
- Four consistent parameters will exist around all three Program Reviews and no more than ten indicators will be used under each category in order to streamline this tool. The department will facilitate the work on the Program Reviews but it will be done with the help of Kentucky teachers. Districts will be invited to pilot the Program Reviews as part of the development process. Staff is on target with the timelines for this development and implementation.

At this point Jeanne Ferguson asked where other countries put their dollars in regard to standards.

Commissioner Holliday responded that other counties focus on teacher quality. He noted that professional development tends to get cut in the United States. Holliday was complimentary of the program management on the chart presented by staff but asked that a resource column be added to help the board and legislature know what dollars are allocated already and what funding must be pursued.

Interim Commissioner Kevin Noland noted that Senate Bill 1 requires mathematics standards to be approved in December, but cautioned that the timing with CCSSO may be problematic with this deadline. He advised that the Assessment and Accountability Review Subcommittee should be apprised of this issue and stated that whatever staff has for the board to review in December may have to be communicated by staff and then revised in February if there are minor changes.

Follow-up items that the board requested included more regular messages to teachers on the assessment changes and the distribution of the booklet on Senate Bill 1 that was given to SCAAC for all state board members.

APPROVAL OF ACTION/CONSENT AGENDA ITEMS

Judy Gibbons moved on behalf of the Curriculum, Instruction and Assessment Committee to approve two appointments to the Kentucky Writing Program Advisory Committee. The board concurred with the motion.

REPORT OF THE MANAGEMENT COMMITTEE ON ACTION/DISCUSSION ITEMS

On behalf of the Management Committee, Austin Moss moved approval of the KETS Unmet Need for LEAs, the FY2010 KETS Expenditure Plan and 704 KAR 4:020, School

Health Services (Final), including the amendment addressing LSAC's concern. The board concurred with the motion.

AUDIT COMMITTEE MEETING REPORT

Chair Brigitte Ramsey noted that the Audit Committee received a comprehensive report of the audits that are underway and those that have been completed. She then moved on behalf of her committee that the board accept the report. The board concurred.

BOARD MEMBER SHARING

The following items were shared during this portion of the meeting:

- Austin Moss indicated he attended the Christian County Beginning of the Year Kickoff.
- David Karem indicated that one of the person's he came to admire when he was in the legislature is Kevin Noland. Karem continued that today and yesterday, Noland's performance demonstrated that the board made the right decision in bringing him back as interim commissioner. He emphasized his admiration for Noland's capacity to walk back into the department and pick up as if he had been there all along.
- Austin Moss expressed concern about middle schools across the state due to marginal improvement in gains. He expressed a desire to dialogue about this in the future.
- Jeanne Ferguson stated her concern about raising standards and the low amount of dollars budgeted to gifted and talented students.
- Judy Gibbons updated the board on the work of the Northern Kentucky Advocacy Group and said they would be meeting with the Governor's office staff and legislators from Northern Kentucky.
- Dorie Combs shared that the Sports Safety Group working with KHSAA meets once per month and that the committee saw part of the online training course at its last meeting. She noted that the training course is on KHSAA's website and that the access to the course can be tracked by KHSAA to find out who has completed it. Combs shared that it has been communicated to superintendents, principals and coaches that completion of the course must occur before a team's first practice. She stated that regulation changes will be coming before the board to consider in relation to the work of the Sports Safety Group.
- Kaye Baird shared an article about more children getting hurt in gym classes due to lack of supervision and some good news about the autism school that has

opened in Prestonsburg. It was requested that a future discussion on autism be something the board consider putting on its agenda.

- Joe Brothers expressed concern about the 1/3 of students that drop out of school in Kentucky. He said that we need to acknowledge the problem and respond as a board to ensure that all children receive a quality education. He issued a challenge to the new commissioner to help the board find a way to do this.

INTERNAL BOARD BUSINESS

The following items were discussed under this agenda item:

- Concerns were expressed about the board's oversight of the Kentucky School for the Blind and Kentucky School for the Deaf. It was decided that staff would come back to the October meeting with some specific recommendations on the governance of the two schools.
- Dorie Combs moved approval of the travel for Austin Moss, Dorie Combs, Judy Gibbons, Brigitte Ramsey, Kaye Baird, David Karem, Joe Brothers and Jeanne Ferguson to the annual conference of the National Association of State Boards of Education (NASBE) that will occur in Cincinnati in October. Kaye Baird seconded the motion and it carried.
- Brigitte Ramsey moved approval of the travel of Austin Moss to the education conference conducted by the Army during September in South Carolina. The motion carried.
- Chair Brothers appointed Austin Moss, Doug Hubbard and Brigitte Ramsey to serve as the Teacher Evaluation Appeals Panel at the October meeting.

ADJOURNMENT

David Karem moved to adjourn the meeting and Dorie Combs seconded the motion. The motion carried.